



General Assembly

February Session, 2006

Amendment

LCO No. 5370

HB0509305370HDO

Offered by:

REP. FELTMAN, 6th Dist.

REP. MCCLUSKEY, 20th Dist.

REP. FLEISCHMANN, 18th Dist.

REP. FARR, 19th Dist.

REP. STAPLES, 96th Dist.

REP. MINER, 66th Dist.

SEN. HARRIS, 5th Dist.

To: Subst. House Bill No. 5093

File No. 558

Cal. No. 370

**"AN ACT CONCERNING PROPERTY TAX RELIEF FOR CERTAIN
ELDERLY HOMEOWNERS."**

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- 1 In line 3, strike "or in any town in which the legislative"
 - 2 In line 4, strike "body is a town meeting, by the board of selectmen"
 - 3 In line 35, strike "taxpayer" and insert "person" in lieu thereof
 - 4 In line 37, strike "taxpayer" and insert "person" in lieu thereof
 - 5 After the last section, add the following and renumber sections and
 - 6 internal references accordingly:
 - 7 "Sec. 501. Section 12-62c of the general statutes is repealed and the
 - 8 following is substituted in lieu thereof (*Effective from passage and*
 - 9 *applicable to assessment years commencing on or after October 1, 2006*):
 - 10 [(a) Any municipality may, with respect to the assessment list in

11 such municipality in a year in which a revaluation becomes effective,
12 as required under section 12-62, for the assessment years commencing
13 on or after October 1, 1987, by vote of its legislative body provide for a
14 gradual increase in assessed values of real property for purposes of
15 property tax, commencing with the year in which such revaluation
16 becomes effective and continuing for a certain number of years as
17 elected by such municipality, not exceeding three years immediately
18 following the year of such revaluation. Such gradual increase in
19 assessed values shall be the result of incremental increases in the rate
20 of assessment of real property, to be added as provided in subsection
21 (b) of this section to the assessment ratio determined under section 10-
22 261a for the year immediately preceding revaluation in such
23 municipality.

24 (b) Upon electing to increase assessed values in the manner allowed
25 in this section, there shall be determined, with respect to said
26 assessment ratio for the year immediately preceding such revaluation,
27 the difference between the assessment rate at seventy per cent of
28 present true and actual value, as required under subsection (b) of
29 section 12-62a, and said ratio of assessed value of real property to fair
30 market value in the year immediately preceding revaluation for such
31 municipality. Such difference shall represent the portion of the
32 assessment rate at seventy per cent to be added to said ratio for such
33 municipality in attaining the required assessment rate of seventy per
34 cent of present true and actual value. Such amount shall be added to
35 said ratio in equal increments, as determined in accordance with this
36 subsection, over the number of years elected by such municipality,
37 provided the total number of years for such purpose may not exceed
38 four years including the year of such revaluation. For the purposes of
39 this subsection, increments shall be considered equal if such
40 increments are equal (1) in terms of the absolute amount of the
41 increase in the assessment ratio for each of the years of such gradual
42 increase in assessed value or (2) in terms of the percentage of increase
43 in the assessment ratio from year to year which is applicable to such
44 gradual increase in assessed value, for each year of the term of such

45 gradual increase in assessed value.

46 (c) In a municipality which has adopted the assessment procedure
47 allowed in this section, new construction which is first assessed for
48 purposes of property tax, after the assessment date on which such
49 revaluation becomes effective but before the assessment rate has been
50 increased to seventy per cent of present true and actual value, shall be
51 assessed initially at the rate applicable in the procedure as adopted by
52 such municipality at the time of such initial assessment, and thereafter
53 at the rate of assessment applicable with respect to all real property on
54 the assessment list in such municipality.]

55 (a) (1) A town implementing a revaluation of all real property may
56 phase in a real property assessment increase or a portion of such
57 increase resulting from such revaluation, by requiring the assessor to
58 gradually increase the assessment or the rate of assessment applicable
59 to such property in the assessment year preceding that in which the
60 revaluation is implemented, in accordance with one of the methods set
61 forth in subsection (b) of this section. The legislative body of the town
62 shall approve the decision to provide for such phase-in, the method by
63 which it is accomplished and its term, provided the number of
64 assessment years over which such gradual increases are reflected shall
65 not exceed five assessment years, including the assessment year for
66 which the revaluation is effective. If the legislative body is a town
67 meeting, the board of selectmen shall approve such decision, method
68 and term. If a town chooses to phase in a portion of the increase in the
69 assessment of each parcel of real property resulting from said
70 revaluation, said legislative body or board shall establish a factor,
71 which shall be not less than twenty-five per cent, and shall apply such
72 factor to such increases for all parcels of real property, regardless of
73 property classification. A town choosing to phase in a portion of
74 assessment increase shall multiply such factor by the total assessment
75 increase for each such parcel to determine the amount of such increase
76 that shall not be subject to the phase in. The assessment increase for
77 each parcel that shall be subject to the gradual increases in amounts or
78 rates of assessment, as provided in subsection (b) of this section, shall

79 be (A) the difference between the result of said multiplication and the
80 total assessment increase for any such parcel, or (B) the result derived
81 when such factor is subtracted from the actual percentage by which the
82 assessment of each such parcel increased as a result of such
83 revaluation, over the assessment of such parcel in the preceding
84 assessment year and said result is multiplied by such parcel's total
85 assessment increase.

86 (2) The legislative body or board of selectmen, as the case may be,
87 may approve the discontinuance of a phase-in of real property
88 assessment increases resulting from the implementation of a
89 revaluation, at any time prior to the completion of the phase-in term
90 originally approved, provided such approval shall be made on or
91 before the assessment date that is the commencement of the
92 assessment year in which such discontinuance is effective. In the
93 assessment year following the completion or discontinuance of the
94 phase-in, assessments shall reflect the valuation of real property
95 established for such revaluation, subject to additions for new
96 construction and reductions for demolitions occurring subsequent to
97 the date of revaluation and on or prior to the date of its completion or
98 discontinuance, and the rate of assessment applicable in such year, as
99 required by section 12-62a, as amended by this act.

100 (b) A town shall use one of the following methods to determine the
101 phase-in of real property assessment increases or the phase-in of a
102 portion of such increases resulting from the implementation of a
103 revaluation:

104 (1) The assessment of each parcel of real property for the assessment
105 year preceding that in which such revaluation is effective shall be
106 subtracted from the assessment of each such parcel in the effective year
107 of said revaluation, and the annual amount of incremental assessment
108 increase for each such parcel shall be the total of such subtraction
109 divided by the number of years of the phase-in term, provided if a
110 town chooses to phase in a portion of the assessment increase for each
111 real property parcel, the amount of such increase that is not subject to

112 the phase-in shall not be reflected in said calculation; or

113 (2) The ratio of the total assessed value of all taxable real property
114 for the assessment year preceding that in which a revaluation is
115 effective and the total fair market value of such property as
116 determined from records of actual sales in said year, shall be
117 subtracted from the rate of assessment set forth in section 12-62a, as
118 amended by this act, and the annual incremental rate of assessment
119 increase applicable to all parcels of real property shall be the result of
120 such subtraction divided by the number of years of the phase-in term.
121 Prior to determining such annual incremental rate of assessment
122 increase, a town that chooses to phase in a portion of the assessment
123 increase for each real property parcel shall multiply the result of said
124 subtraction by the factor established in accordance with subsection (a)
125 of this section, to determine the rate of assessment that shall not be
126 subject to such phase in.

127 (c) The assessment of any new construction that first becomes
128 subject to taxation during an assessment year encompassed within the
129 term of a phase-in shall be determined in the same manner as the
130 assessment of all other comparable real property in said assessment
131 year, such that the total of incremental increases applicable to such
132 other comparable real property are reflected in the assessment of such
133 new construction prior to the proration of such assessment pursuant to
134 section 12-53a.

135 (d) Not later than thirty business days after the date a town's
136 legislative body or board of selectmen, as the case may be, votes to
137 phase in real property assessment increases resulting from such
138 revaluation, or votes to discontinue such a phase-in, the chief executive
139 officer of the town shall notify the Secretary of the Office of Policy and
140 Management, in writing, of the action taken. Any chief executive
141 officer failing to submit a notification to said secretary as required by
142 this subsection, shall forfeit one hundred dollars to the state for each
143 such failure.

144 Sec. 502. Subsections (e) and (f) of section 12-62a of the general
145 statutes are repealed. (*Effective from passage and applicable to assessment*
146 *years commencing on or after October 1, 2006*)"